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SUBJECT: CANADA: FOUR BY-ELECTIONS TO TEST ELECTION MOMENTUM

REF: OTTAWA 766

11. (SBU) Summary: Prime Minister Stephen Harper has called four federal by-elections for November 9 to fill current House of Commons vacancies. The Conservatives held none of the seats, but have a crack at two of the four. In contrast, the opposition Liberals have little realistic prospect of winning any, but are under the greatest pressure to deliver a solid performance to generate momentum toward an early election. Meanwhile, additional new legislation on unemployment insurance may keep the NDP on the government's side -- at least tactically -- throughout the fall. End summary.

THREE OPPOSITION SEATS, ONE INDEPENDENT

- 12. (U) PM Harper on October 4 announced federal by-elections in the "ridings" of New Westminster-Coquitlam (British Columbia), Hochelaga (Montreal), Montmagny-L'Islet-Kamouraska-Rivihre-du-Loup (Quebec), and Cumberland-Colchester-Musquodoboit Valley (Nova Scotia) for November 9. Previously, the New Democratic Party (NDP) held New Westminster-Coquitlam, the Bloc Qubcois held both two Quebec seats, and Independent MP Bill Casey held the Nova Scotia riding.
- ¶3. (U) Under the Canada Elections Act, the PM may wait up to 180 calendar days after the formal registration of a House of Commons vacancy before advising the Governor General on the date of a by-election. Prime Ministers often let opposition seats sit vacant for the maximum allotted time, and group by-elections together. The deadline to name a date to fill the longest vacancy would have expired on October 10, with two more falling due in late October and November.

UP FOR GRABS IN B.C?

¶4. (U) The New Westminster-Coquitlam (suburban Vancouver) riding has been in NDP hands since 2006, but the seat has swung between the NDP and the Conservatives over the past twenty years. The last incumbent, the NDP's Dawn Black, first won the riding in 1988, but lost it to Conservative Paul Forseth in 1993. She won it back in 2006, and voters re-elected her in 2008 with 41.8 pct of the vote over her Conservative rival, at 38.8 pct. The Liberals came in third place at 11.2 pct. Black resigned in April to enter provincial politics, running for -- and winning -- the provincial riding of New Westminster in May.

RETURN TO THE CONSERVATIVE FOLD?

15. (U) The Nova Scotia riding of Cumberland-Colchester-Musquodoboit Valley is a traditional Conservative seat. The Liberals have held the seat only once (between 1993 and 1997) since 1957. PM Harper expelled then third-term MP Bill Casey from the Conservative caucus in 2007 for voting against the budget in a dispute over federal assessment of Nova Scotia resource revenues. In the 2008 election, Casey's moral stand against the budget skewed traditional voting

patterns. He won the riding as an Independent, with 69 pct of the vote. The NDP came second with 12 pct, and the Conservative and Liberal candidates were almost even at 8.8 and 8.4 pct. Casey resigned in April to become Nova Scotia's senior representative in Ottawa.

BLOC QUEBECOIS STRONGHOLDS

56 (37) Olan managan and black

16. (U) Observers regard the two vacant Quebec seats as Bloc Quebecois strongholds. Previous incumbents Ral Mnard and Paul Crte had both held their seats uninterrupted since 1993. In Hochelaga (east Montreal), Mnard had won 49.6 pct of the vote in 2008, versus 20.6 pct for the second-place Liberal candidate and 14.6 pct for the NDP. The Conservative candidate trailed in fourth place, with 9 pct of the vote. Mnard resigned in September to run Qplace, with 9 pct of the vote. Mnard resigned in September to run run

in a mayoralty race in Montreal. In the largely rural Rivihre-du-Loup riding, Paul Crte had won his seat by 46 pct of the vote in 2008, versus 30 pct for the Conservatives and 15 pct for the Liberals. Crte resigned his seat to run for the Parti Quebcois in a provincial by-election in June in a riding with similar boundaries. He suffered an upset loss to a provincial Liberal candidate.

17. (U) The by-election campaigns in Quebec have begun in a climate of federal Liberal disunity following the abrupt resignation of the party's Quebec lieutenant, MP Denis Coderre, on September 28 (reftel). Liberal Leader Michael Ignatieff appeared at a convention of the Quebec wing of the federal Liberal Party in Quebec City on October 3 and 4 to smooth the waters, and to appeal to the "fidelity

OTTAWA 00000777 002 OF 002

and loyalty" of Liberals in the province: "If you put the party first, you never lose." Ignatieff also reversed an earlier decision not to name a new Quebec lieutenant, apparently after realizing that t the party's Constitution demanded one.

E.I. MAY KEEP THE NDP DANGLING

- 18. (U) In the unsuccessful Liberal non-confidence motion in the House of Commons on October 1 (reftel), the federal NDP allowed the motion to fail in order to secure eventual passage of a bill (currently before the Commons' Human Resources Committee) extending Employment Insurance (E.I.) benefits. On October 4, the Conservative Chair of the Committee signaled that he had a tentative all-party deal to limit the Committee study, with hearings only on October 6 and 8, before the House recesses during the week of October 12 (Canadian Thanksgiving). The bill could be back for a final vote in the Commons by the end of October, before going for approval in the Liberal-dominated Senate. The government is also reportedly planning to introduce a second E.I. bill this fall to extend parental and compassionate leave benefits to the self-employed. The bill would fulfill a Conservative election pledge, as well as address longstanding NDP calls to extend E.I. coverage to the self-employed.
- 19. (SBU) Comment: The government's E.I. initiatives may be enough to keep the NDP grudgingly on its side through the fall, but the by-elections will test all parties' election readiness. Although the NDP and Bloc Qubcois will most likely keep their three riding seats, the focus will be on momentum for the two major parties. The Conservatives hold none of the four seats, have nothing to lose, and something to gain in Nova Scotia (if Casey's departure left no lingering ill-will) and possibly even in New Westminster- Coquitlam in a two-way race with the NDP. (The federal Conservatives captured three suburban Vancouver seats in 2008.) Liberal disarray in Quebec may well provide cover for the weakness of the Conservatives in the province. In contrast, the Liberals will have to spend scarce election resources, despite the low probability of the Liberals

taking either of the Quebec seats. The party is likely also to be

squeezed in British Columbia. Combined with recent disunity in its Quebec wing, a November 9 shut-out will further hurt the Liberal "brand" and Ignatieff's leadership, and make it even harder for the Liberals credibly to press for an early election.

JACOBSON